



August 29, 2023

VIA ELECTRONIC FILING

Ms. Rachel Peterson
CPUC Executive Director
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3288

Ms. Stephanie Green
Supplier Diversity Program Manager
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3288

Re: Great Oaks Water Company's General Order 156 Compliance Filing - 2022

Dear Ms. Peterson and Ms. Green:

Pursuant to General Order 156 ("GO 156"), Great Oaks hereby electronically files its 2022 Annual Report and Annual Plan in compliance with GO 156, Sections 9 and 10. This report is available to others upon request.

Please contact us with any questions. Our email addresses are tguster@greatoakswater.com or jliem@greatoakswater.com.

Sincerely,

Tim Guster
Vice President and General Counsel
Great Oaks Water Company

Juan Liem
Chief Financial Officer
Great Oaks Water Company



GREAT OAKS WATER COMPANY

20 Great Oaks Blvd.
Suite 120
San Jose, CA 95119
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2022 ANNUAL REPORT AND ANNUAL PLAN

WOMEN, MINORITY, DISABLED VETERAN, AND LGBT OWNED BUSINESS ENTERPRISES

**California Public Utilities Commission
August 29, 2023**



2022 ANNUAL REPORT AND ANNUAL PLAN

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NOTE:

*Covered Entity - electrical corporations, gas corporations, water corporations, telephone corporations, and wireless telecommunications service providers with gross annual California revenues between \$15,000,000 and \$25,000,000.

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INTRODUCTION DESCRIPTION OF COVERED ENTITY

Great Oaks Water Company has been providing public water utility service to the Blossom Valley - Santa Teresa - Edenvale - Coyote Valley-Almaden Valley area of the City of San Jose since the early 1959. Our dedication to providing the highest quality water, best customer service and the lowest rates continues to this day. With more than 20,000 customers and a dedicated staff of 20 employees, Great Oaks is recognized as one of the most efficiently run utilities in the state.

DESCRIPTION OF SUPPLIER DIVERSITY PROGRAM, DIVERSE SUBCONTRACTING PROGRAM AND SUPPLIER DIVERSITY RELATED ACTIVITIES FOR PREVIOUS CALENDAR YEAR

Great Oaks Water is committed to being inclusive of diverse suppliers in our procurement processes. We are a member of the California Water Association (CWA) which is a trade organization representing all California regulated water utilities. Our leadership team has been following General Order 156 and participated in monthly CWA board and committee meetings and received reports from the CWA Utility Supplier Diversity Committee, comprised of the larger seven regulated water utilities, on efforts to be inclusive of diverse suppliers. Based on our participation in such meetings we are well aware of the need for us to be inclusive of diverse suppliers.

Understanding 2022 is our first reporting period, we engaged The Diversity Advisors, an experienced result driven minority-owned supplier diversity consulting firm, in July 2023 to review our 2022 vendor spend. They provided an analysis of where we should be inclusive of diverse suppliers in our procurement of goods and services, drafted our 2022 report, and created a robust supplier diversity strategy to ensure we meet or exceed our supplier diversity goals in 2024 and beyond.

Starting late 2023, Great Oaks Water will engage in CWA's Utility Supplier Diversity Committee to ensure Great Oaks is included in the California regulated water utilities technical assistance, capacity building, and other outreach efforts and events to increase the diverse supplier community awareness of available opportunities to work with us. Great Oaks Water Company in partnership with The Diversity Advisors will build a robust results-driven supplier diversity program in 2023 for implementation in 2024. The program will include:

- Developing internal processes/procedures which may include investments in procurement technology improvements and creation of policies and practices
- Providing training to ensure our internal team members are aware of and understand the “why” behind supplier diversity and fully engage in our commitment to inclusion of diverse suppliers in all of our procurement efforts
- Developing outreach programs inclusive of diverse suppliers and community based organizations
- Creating a supplier-friendly website and contact page

During our review and analysis of our spending for the year 2022, we made sure to cover both direct expenses and indirect ones related to subcontractors. We proactively contacted all the vendors we had transactions with in 2022. The purpose was to determine if these vendors were themselves diverse or if they engaged diverse suppliers while providing us with goods and services. After conducting this outreach effort, we found that there was no expenditure on diverse subcontractors during the reporting period.

In collaboration with The Diversity Advisors, we are taking steps to enhance our vendor communication and training strategies. This initiative aims to educate our existing pool of vendors about our strong commitment to including diverse suppliers. We emphasize the importance of them using suppliers certified through the Supplier Clearinghouse to promote inclusivity. As part of our thorough evaluation of vendor expenses, including a detailed search through the Supplier Clearinghouse and other certifying agencies, we identified two vendors who became certified through the Supplier Clearinghouse in 2023.

For the year 2023, we will have a minimum of three diverse suppliers in the mix. This count includes the two previously mentioned vendors along with our spending associated with The Diversity Advisors. As we continue to develop our program throughout 2023 and begin implementing specific actions in 2024, we remain dedicated to increasing the number of diverse suppliers we engage in our business operations.

With confidence in our leadership's dedication to integrating diverse suppliers into our procurement processes, our partnership with The Diversity Advisors, and our involvement in CWA's Utility Supplier Diversity Committee (with its historical track record), Great Oaks Water Company anticipates noticeable improvements in our outcomes starting from the year 2024.

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SUPPLIER DIVERSITY PROGRAM WEBSITE ADDRESS AND CONTACT INFORMATION

Great Oaks Water Company has established a partnership with The Diversity Advisors, a firm led by individuals with extensive experience collaborating with regulated utilities in California. This partnership entails The Diversity Advisors taking the lead on Great Oaks' supplier diversity initiatives, working in tandem with the leadership at Great Oaks. As a crucial step in this partnership, The Diversity Advisors will develop a comprehensive supplier diversity page, which will be a key component of our strategy for the year 2024. For all communication related to this initiative, kindly direct your correspondence to the following two designated contacts:

Great Oaks Water Company
% The Diversity Advisors
14900 Magnolia Blvd. #5722
Sherman Oaks, CA 91403
info@thediversityadvisors.com
Edward Simon
(314) 575-1715

Great Oaks Water Company
20 Great Oaks Blvd., Suite 120
San Jose, CA 95119
Name: Wendy Pon-Villalpando
Telephone Number: (408) 227-9540
Email: wvilla@greatoakswater.com

SUPPLIER DIVERSITY RESULTS OF GOODS AND SERVICES (EXCLUDE FUEL AND POWER PURCHASES (EXCLUDE FUEL AND POWER PURCHASES))

Great Oaks Water Company			2023 of Report							
Supplier Diversity Results of Goods and Services (Exclude Fuel and Power Purchases)										
			[Year] of Report							
			Direct Spend ¹ \$	Sub Spend ² \$	Total \$	%	Product Spend \$	Service Spend \$	Total \$	%
1	Minority Male	African American	0	0	0	0	0	0	0	0
2		Asian Pacific American	0	0	0	0	0	0	0	0
3		Hispanic American	0	0	0	0	0	0	0	0
4		Native American	0	0	0	0	0	0	0	0
5		Total Minority Male		0	0	0	0	0	0	0
6	Minority Female	African American	0	0	0	0	0	0	0	0
7		Asian Pacific American	0	0	0	0	0	0	0	0
8		Hispanic American	0	0	0	0	0	0	0	0
9		Native American	0	0	0	0	0	0	0	0
10		Total Minority Female		0	0	0	0	0	0	0
11	Total Minority Business Enterprise (MBE)		0	0	0	0	0	0	0	0
12	Women Business Enterprise (WBE)		0	0	0		0	0	0	0
13	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		0	0	0		0	0	0	0
14	Disabled Veteran Business Enterprise (DVBE)		0	0	0		0	0	0	0
15	Persons with Disabilities Business Enterprise (DBE)		0	0	0		0	0	0	0
16	8(a)*		0	0	0		0	0	0	0
17	Total Supplier Diversity Spend		0	0	0	0	0	0	0	0
18	Net Procurement**				7,814,644.10					
19	Net Product Procurement				1,220,463.85					
20	Net Service Procurement				6,594,180.25					
21	Total Number of Diverse Suppliers that Received Direct Spend				0					

NOTE:
 * 8(a) - Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section 1.3.13).
 ** Net Procurement includes purchase orders, non-purchase orders, and credit card dollars.
¹ Direct - Means Direct Procurement: when a covered entity directly procures from a supplier.
² Sub - Means Subcontractor Procurement: when a prime contractor, in contract with a covered entity, procures from a subcontractor to fulfill its contractual obligation(s).
 % - Percentage of Net Procurement.

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SUPPLIER DIVERSITY RESULTS IN POWER (ENERGY PROCUREMENT)

NOT APPLICABLE

SUPPLIER DIVERSITY RESULTS IN FUEL PROCUREMENT

NOT APPLICABLE

DESCRIPTION OF ESTABLISHED SUPPLIER DIVERSITY GOALS FOR THE PREVIOUS CALENDAR YEAR

Great Oaks Water Company did not establish supplier diversity goals for the previous calendar year (2021). We did not include goals for 2022 or 2023. Working in partnership with The Diversity Advisors and based on their analysis of our data and 2022 results, we will create goals for 2024 and beyond.

SUPPLIER DIVERSITY GOALS COMPARED TO PREVIOUS

Great Oaks Water Company’s first reporting year is 2022. We did not create goals for 2022. We are committed to developing our strategies and new supplier diversity program in 2022 which will include goals for 2024 and beyond.

Supplier Diversity Annual Report						Page 6
Great Oaks Water Company				2022 of Report		
Supplier Diversity Results Compared to Set Goals						
				Category	2022 Result %	2022 Goal %
				Minority Business Enterprise (MBE)	0	0
				Women Business Enterprise (WBE)	0	0
				Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	0	0
				Disabled Veteran Business Enterprise (DVBE)	0	0
				Persons with Disabilities Business Enterprise (DBE)	0	0
				Total	0	0
				NOTE:		
				% - Percentage of Net Procurement.		0

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DESCRIPTION OF BARRIERS TO SUPPLIER DIVERSITY

Great Oaks Water Company anticipates potential challenges related to its procurement team members adjusting their mindset to embrace suppliers they are less familiar with, as well as actively engaging experienced and certified diverse suppliers. However, we are confident that we will successfully address this hurdle through training and by establishing clear performance goals that emphasize inclusivity.

Additionally, we are well aware of The Diversity Advisors' extensive 20-year experience in the realm of supplier diversity. They have compiled a list of diverse vendors specializing in water-related operations, which Great Oaks can seamlessly integrate into its daily functions. It's important to recognize that the integration of these new diverse suppliers will require a period of about one to two years before substantial improvements in supplier diversity performance become evident.